

Commonwealth of Massachusetts
Department of Telecommunications and Energy
Fitchburg Gas and Electric Light Company
Docket No. D.T.E. 02-24/25
Record Request Response

Record Request No.: DTE-RR-62

Provide documentation to show that although the increase in property tax expense, percentagewise is pretty significant, it really is not that significant without the accounting change (i.e., compare the test-year expense, excluding the accounting adjustment, to the cost-of-service property tax expense that the company is requesting in this proceeding, and show you the change and the percent difference).

Response:

The table below shows the actual increase in test year property tax expense of \$78,683 or 5.93% when the accounting adjustment for Prepaid Property Taxes (as described in AG 1-66, item 5) is removed.

Total 2002 Proformed Property Tax Expense MHC-7-16(Electric) Line 12		\$1,327,925
Test Year Expense		
Schedule MHC-7-19 (Gas) Line 14	350,369	
Schedule MHC-7-16 (Electric) Line 14	683,167	
	<u>1,033,536</u>	
Plus Prepaid Adjustment 2001 (AG 1-66)	215,706	
Adjusted CY 2001 Property Tax Expense		<u>1,249,242</u>
Proformed Increase over 2001		<u>\$78,683</u>
Percentage Increase		<u>5.93%</u>

Person Responsible: Mark H. Collin